

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 913 - SB 883

April 13, 2021

SUMMARY OF ORIGINAL BILL: Authorizes the sales and use taxes collected from a customer by a taxpayer to be refunded to the customer if a customer requests a refund of at least \$1,000 from the dealer and the dealer failed or declined to issue the refund, and:

- The taxes were remitted to the Department of Revenue (DOR),
- The dealer will not claim a refund of the taxes,
- The dealer's tax account number is provided and,
- The local jurisdiction for which the sales taxes were collected and remitted were included in the refund.

If the dealer refuses to attest to the above information then the customer may file a claim to DOR to receive the refund of sales tax if the Commissioner of DOR determines that sufficient information is reasonably available to verify that:

- The taxes were remitted from the dealer to DOR,
- The dealer has not claimed a refund or taken a credit for such taxes,
- The local sales tax included in the refund was remitted,
- The customer contacted the dealer in writing within 90 days of the statute of limitations for requesting such a refund.

The proposed legislation takes effect October 1, 2021.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (007093): Deletes and substitutes language of the original bill such that the only substantive changes are to increase the minimum refundable amount from \$1,000 to \$2,500, and to require the person seeking the refund to request such refund from the dealer at least twice, in the manner described in the proposed legislation.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumption for the bill as amended:

- Based on information from the Department of Revenue, the proposed legislation is not estimated to have a significant impact on the refund, remittance, or collections of sales and use taxes; therefore, any fiscal impact is considered to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/aw